

**RioTinto**

**M\035\002  
Kennecott Utah Copper Corporation  
Bingham Canyon Mine**

**Annual Presentation  
to  
Board of Oil, Gas and Mining**

**February 24, 2010**

**FEB 24 2010**

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# RioTinto

## Facilities Overview

- Boundary
- Bingham Mine
- South Tailing
- Facilities

## 2009 Completed Reclamation

- Bingham Mine
- South Tailing
- Facilities

## 2010 Anticipated Reclamation

- Bingham Mine
- South Tailing
- Sites

## Longer Term Planning

- Keystone

## Environmental Remediation

- South Zone

## Accounting & Reporting

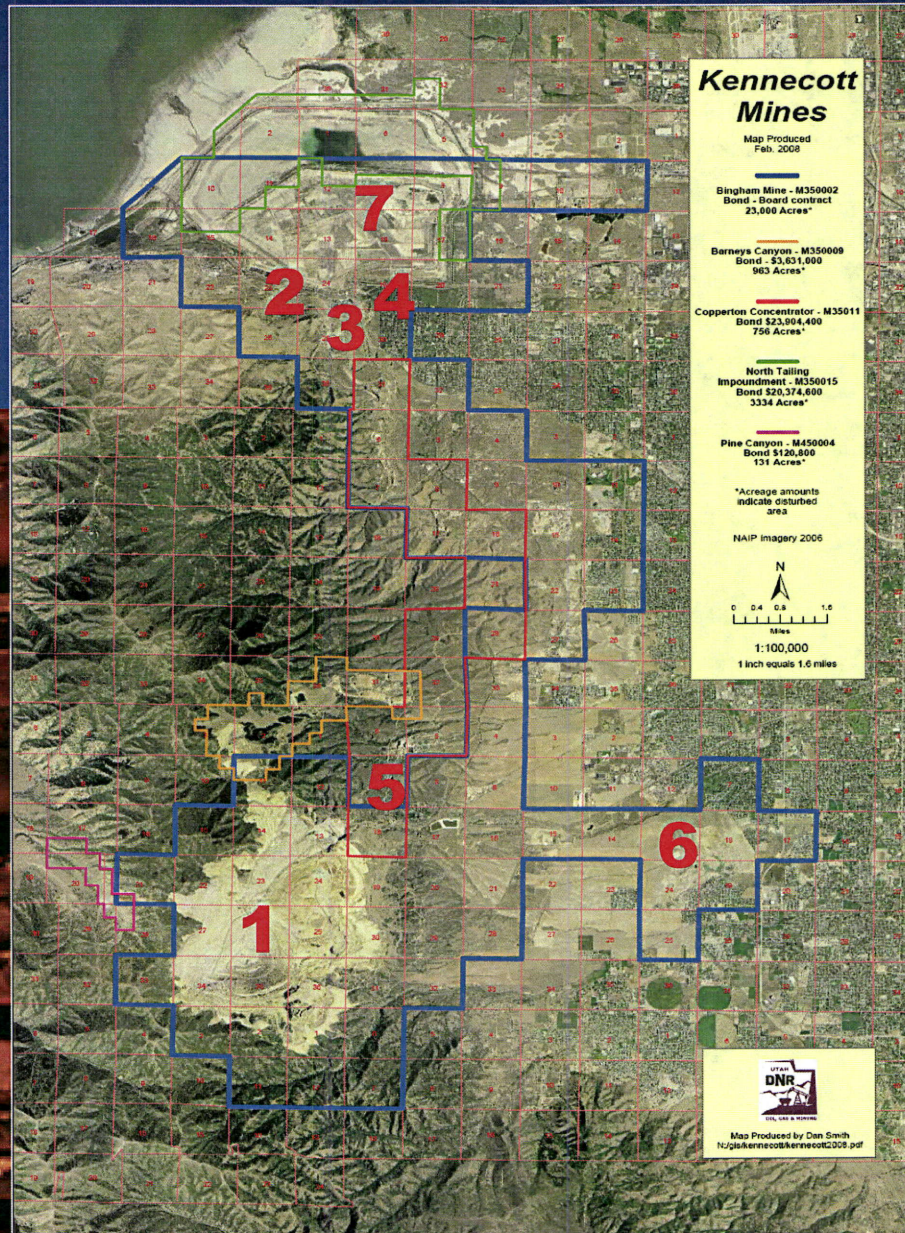
- Expenditures
- Register

## Economics

- Utah
- KUC

## Closing Remarks

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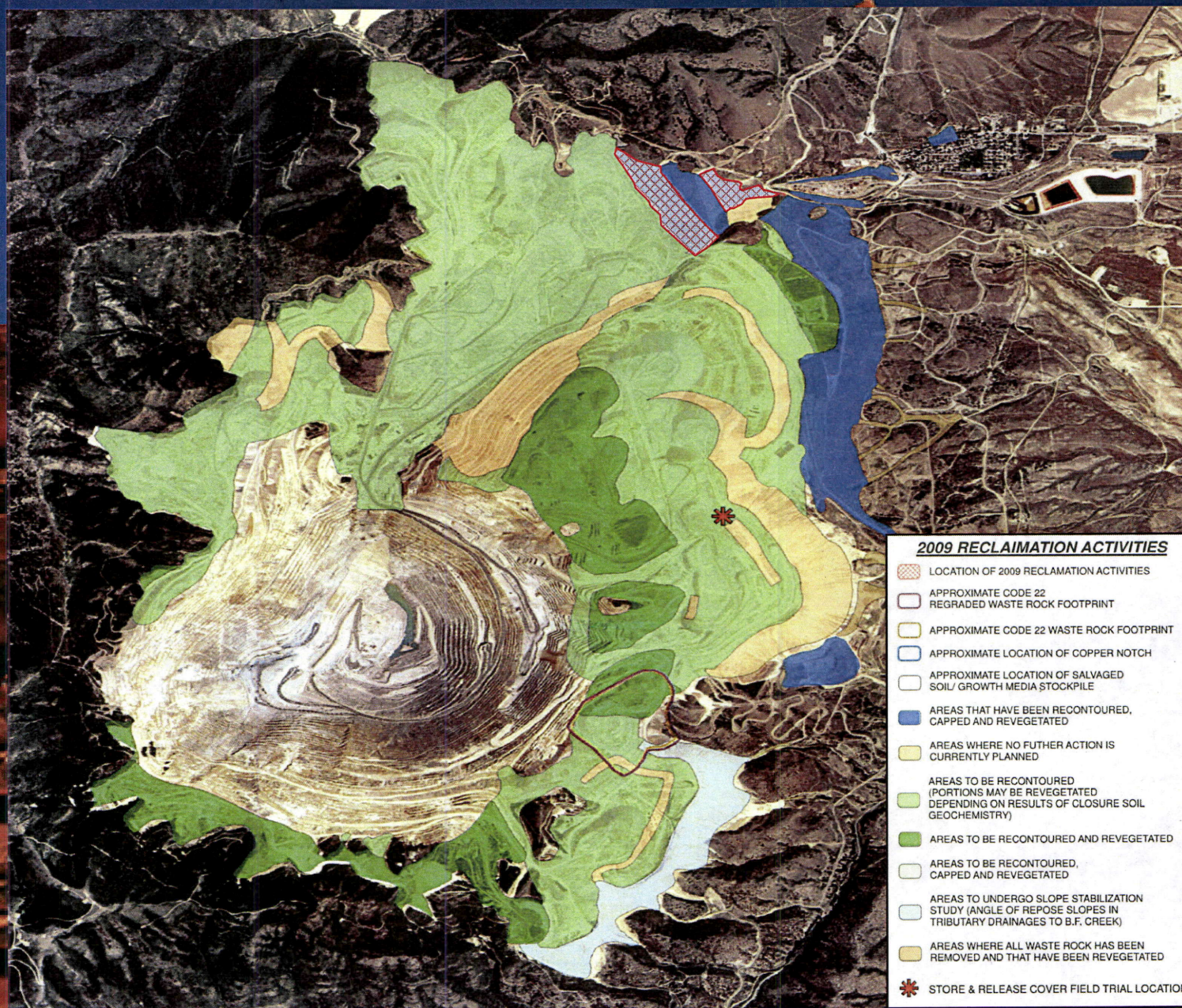


20 Miles: Bingham Canyon Mine to South Tailing Impoundment

## M/035/002

1. Bingham Canyon Mine
2. Arthur Concentrator  
*Reclaimed*
3. Bonneville Crusher  
*Reclaimed*
4. Magna Concentrator  
*Reclaimed*
5. Precipitation Plant  
*Reclaimed*
6. South Jordan  
Evaporation Ponds  
*Reclaimed*
7. South Tailing  
Impoundment

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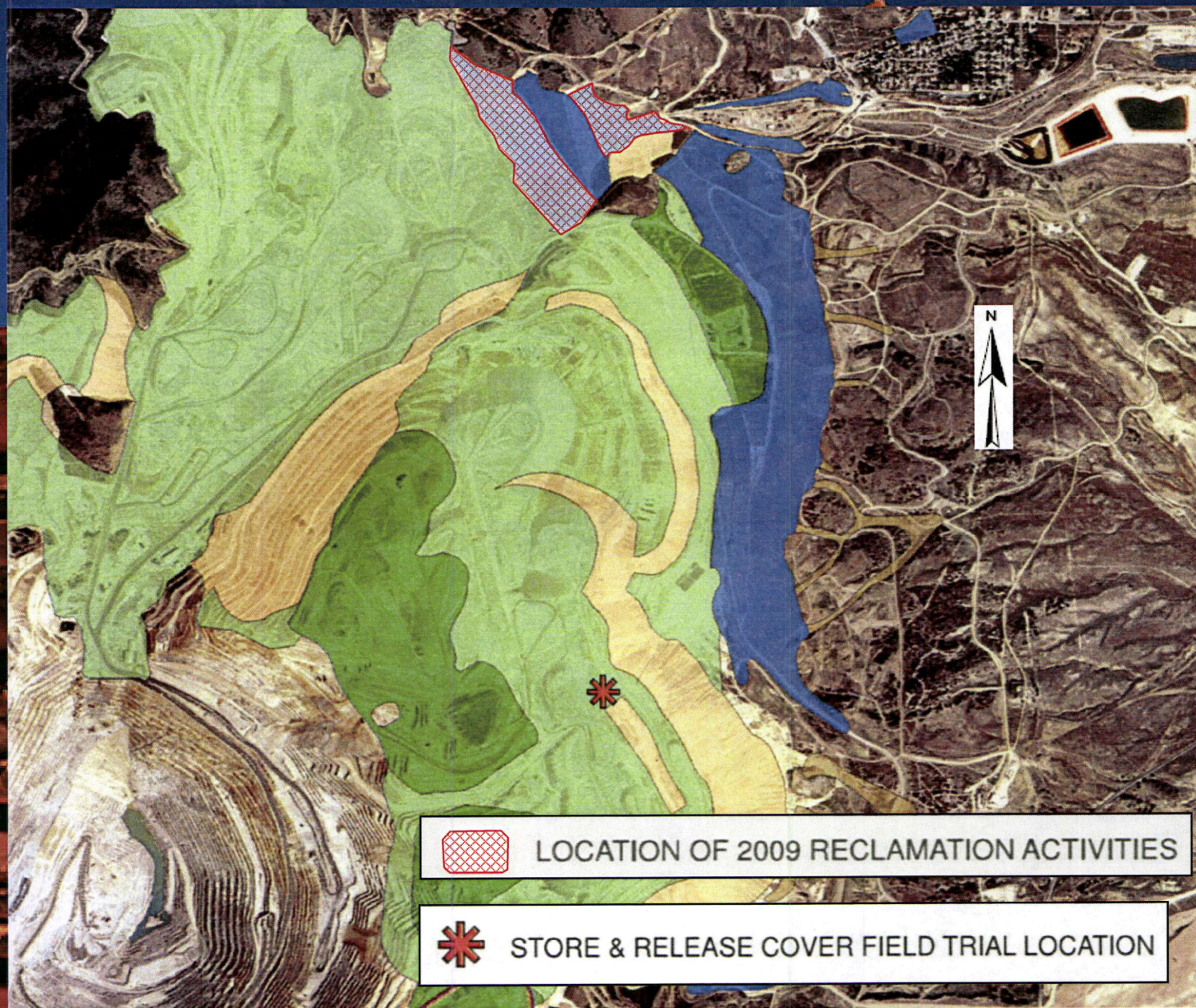


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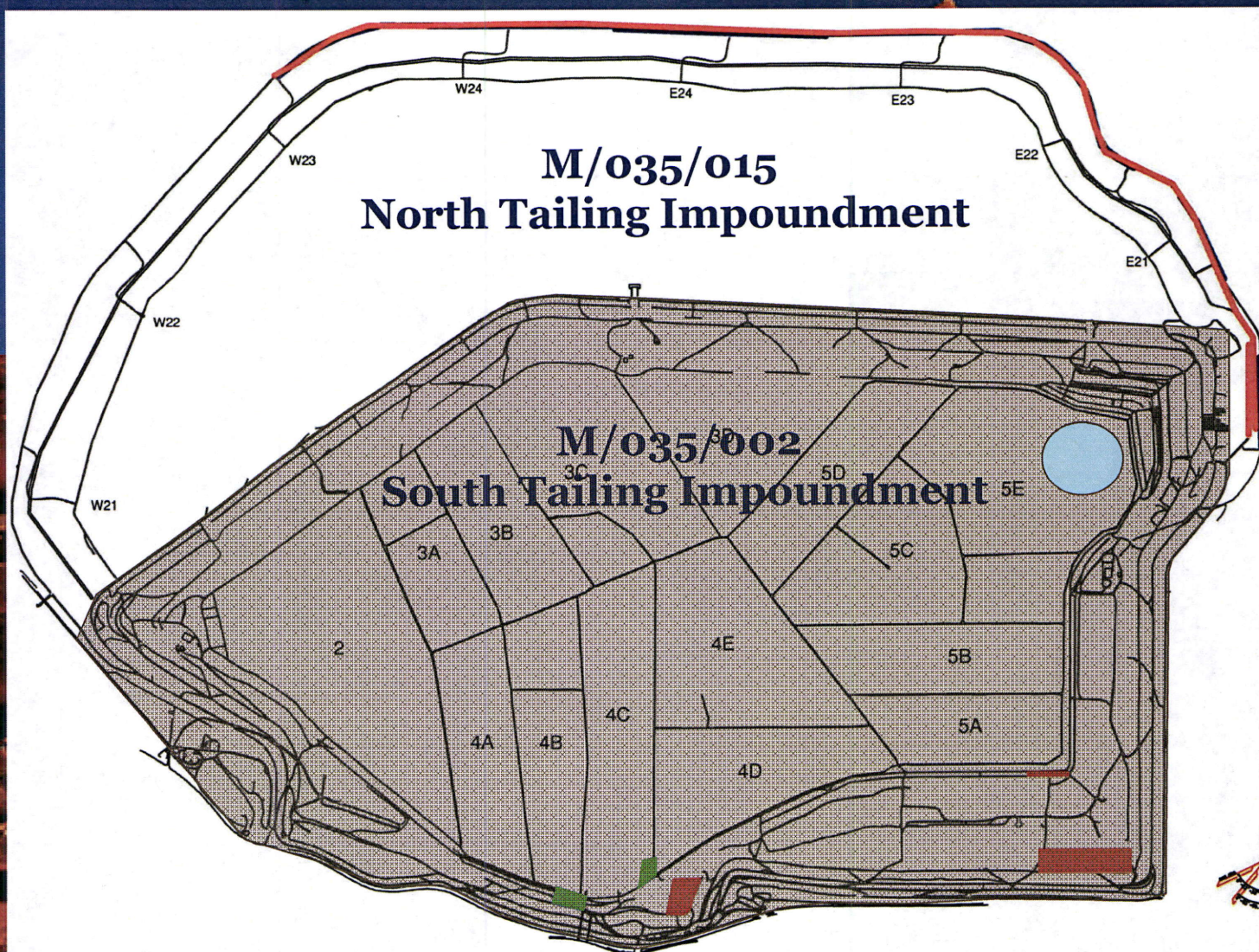


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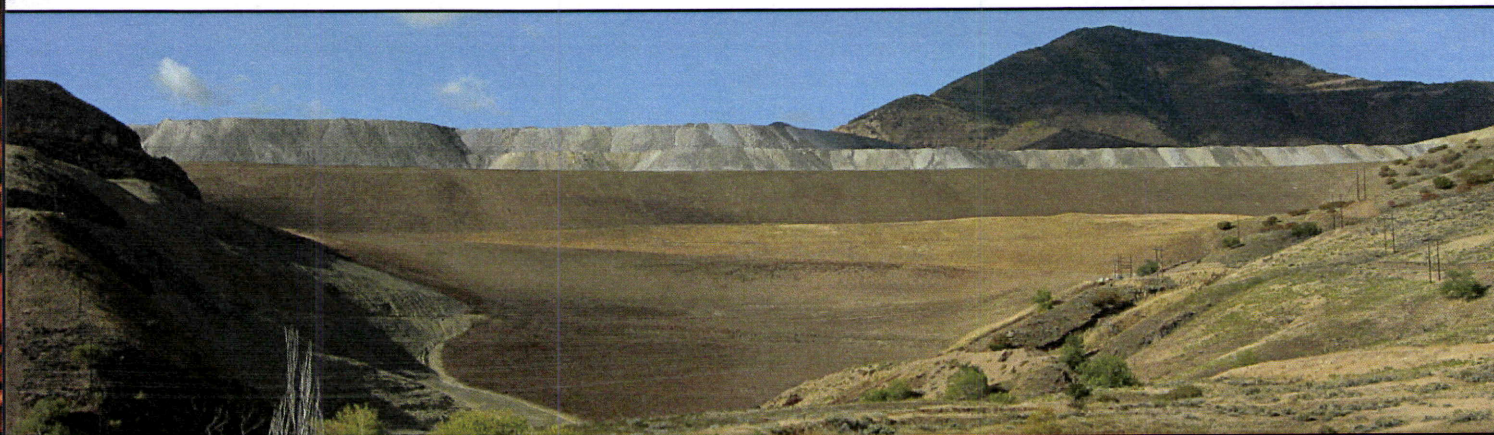
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*Example – Reclamation and Restoration*

***January 2009***



***October 2009***



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## Summary of Significant 2009 Activities

**Bingham Canyon** lower 5990 section re-grade, rip, seed, plant seedlings

**Bingham Canyon** 6190 section soil salvage, re-grade, rip, seed, plant seedlings

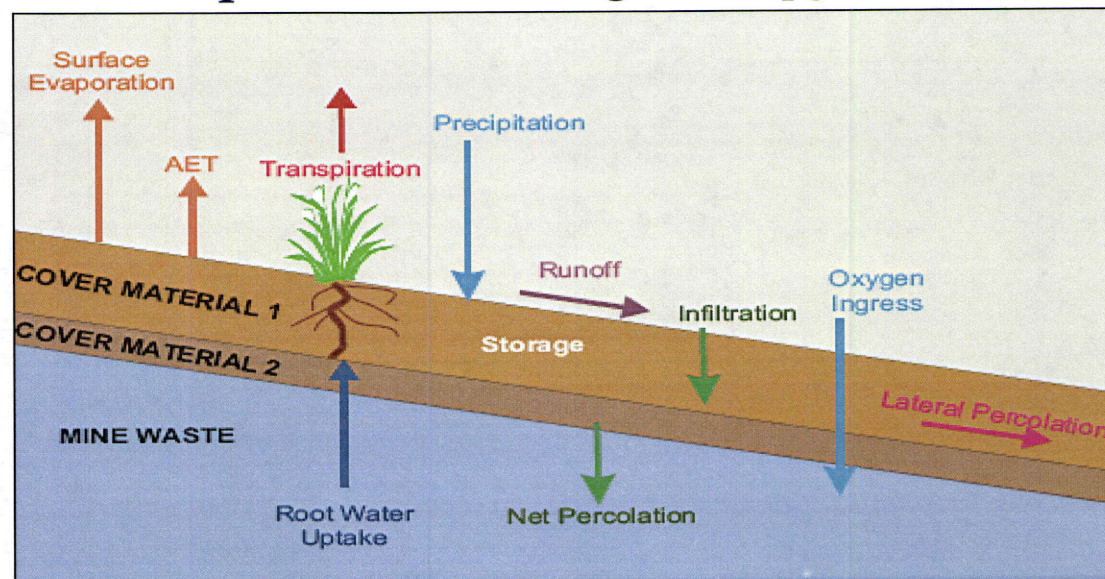
**Third-party** soil characteristic and test plot studies

**Store & release cover** field trial test plot construction

**Yosemite** drainage sediment pond upgrades

**Bingham Canyon** hydrologic analysis and sediment pond installation

**Keystone Dump** storm water management upgrades



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A) Control (no cover)

B) 4' cover material

C) 4' cover material + compaction

1 Store & release cover field trial installation

2 Lysimeter tank prior to backfill

3 Completed store & release cover test plots



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- 1 Yosemite sediment pond upgrades
- 2 Bingham Canyon sediment pond (under construction)
- 3 Bingham Canyon soil salvage
- 4 Yosemite (alternate view)

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## **RT/KUCC Anticipates the Following 2010 Activities**

**Complete** 50% Bingham Canyon 6390 section including re-grade, rip, growth media, seed, tree planting (30 acres total)

**Complete** Bingham Canyon 6390 soil salvage/placement activities

**Complete** seed fertilization techniques test plots

**Continue** data collection from experimental store and release cover field trials

**Initiate** additional BAT and/or experimental projects as warranted and as funding allows

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## Environmental Remediation Update

***Kennecott's South Zone*** groundwater clean up continues as:

- KUC posted \$15 million surety with EPA in 2008 to guarantee that clean is completed
- Clean up is expected to last several decades

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## **Keystone**

... is the term associated with the longer term continuation of mining and copper production

... studies have moved into pre-feasibility for the following aspects:

### ***Bingham Canyon Mine***

Extension of mine life will involve additional disturbance and production of ore and waste rock within the existing M/035/002 boundary

### ***Copperton Concentrator***

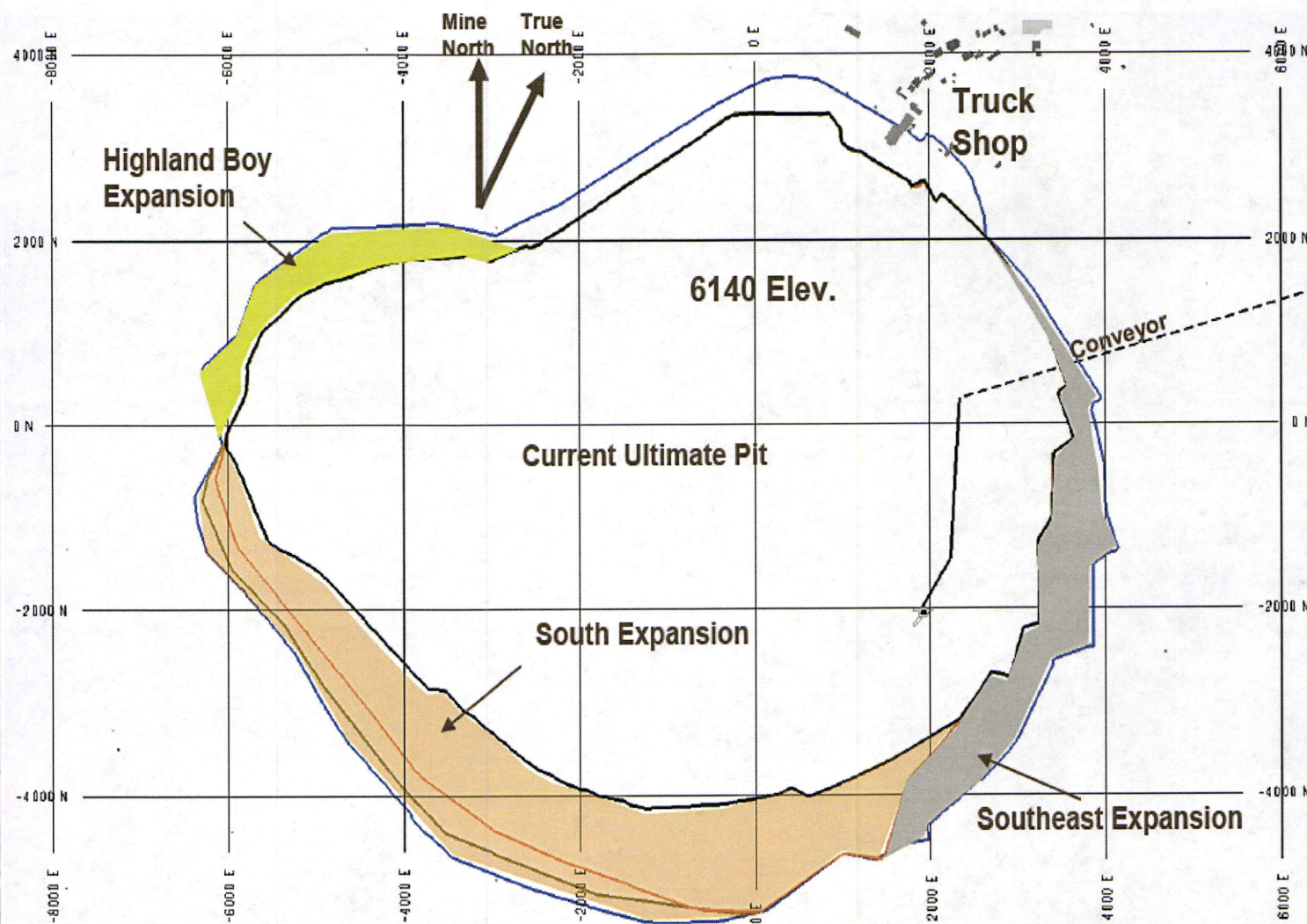
Extension of mine life may require a fifth-line to sustain concentrate production levels

### ***Tailing Impoundment***

Extension of mine life will increase tailing generation beyond the current ~2022 design capacity of the North tailing impoundment

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## Bingham Canyon Mine



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## Expenditures 2009

BAT and Experimentation <sup>1</sup>	\$1,107,009
Demolition	\$0
Total (\$US 2009)	<b>\$1,107,009</b>
Total <sup>2,3</sup> (\$US 1978)	<b>\$306,040</b>

<sup>1</sup>Mine BAT includes reclamation expenditures for equipment rental, maintenance and operation, seed/seedling, fertilizer/mulch/limestone application and purchase, and demolition contractors. Mine BAT does not include operating salaries or experimental costs associated with waste rock segregation or the ARD technologies report.

<sup>2</sup>Expend a minimum average, of \$50,000 in \$US 1978 dollars per year for each three year period, in maintaining a program of experimentation and in the application of BAT toward rehabilitation of land.

<sup>3</sup>Consumer Price Index (CPI) Inflation Calculator

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During 2009 KUC & UDOGM maintained a voluntary program to utilize a  
**Reporting Register**  
 to capture "at a glance" the status of KUC ongoing reclamation activities

UDOGM Reporting Register

2009																						
MRP	PLANT	AREA / PROJECT	BAT	Experimental	Demolition	Status	Planned				% Complete	Expenditure	BAT	Experimental	Description	Status	Additional				% Complete	Expenditure
							G1	G2	G3	G4							G1	G2	G3	G4		
M095-002	Bingham Canyon	Lower Bingham Canyon waste rock disposal area @ 1950 section	(1) Apply growth media, seeds, seed and plant 2000 seedlings @ ~10 acres			(1) ~14 acres completed with top soil and seed. 800 Managery & 500 Oak planted	(1) 28 (2) 28 (3) 28 (4) 100				(1) \$140,349	(1) Model and design a reclamation basin at the base of Bingham Canyon to accommodate a 100,000-gallon water event reporting to Bingham Canyon. (2) Engineer and build sediment basin at the base of Bingham Canyon. (3) Top soil and seed ~14 acres above and within sediment pond area			(1) Final report submitted; KUC review in process. (2) Reclamation basin construction on water from pipe functional; safety conductor. Outlets outlet structures and rock spill scheduled for Q4 2009.	(1) 5 (2) 5 (3) 5 (4) 0	(1) 5 (2) 5 (3) 5 (4) 0	(1) 5 (2) 5 (3) 5 (4) 0	(1) 5 (2) 5 (3) 5 (4) 0	(1) \$25,000 (2) \$16,000 (3) \$40,000		
M095-003	Bingham Canyon	Lower Bingham Canyon waste rock disposal area @ 1950 section	(1) Complete waste rock contouring and cross to 2.75:1 slope @ ~10 acres (2) Apply growth media and seed 2.75:1 slope @ ~24 acres			(1) Grading of waste rock completed @ ~14 acres (2) Growth media placement 100% complete; 20 acres planted with 1100 Managery & 500 Oak; 43 acres seeded	(1) 28 (2) 28 (3) 28 (4) 100				(1) \$411,218	(1) 1700 seedlings planted over ~20 acres (2) Contractor moved ~20,000 yd <sup>3</sup> (3) Contractor moved ~21,000 yd <sup>3</sup> of native soils prior to dumping over	(1) 5 (2) 5 (3) 5 (4) 0	(1) 5 (2) 5 (3) 5 (4) 0	(1) 5 (2) 5 (3) 5 (4) 0	(1) 5 (2) 5 (3) 5 (4) 0	(1) \$18,000 (2) \$18,000 (3) \$88,000					
M095-002	Bingham Canyon	Lower Bingham Canyon waste rock disposal area @ 1950 section (Approx. 4 acre area)	(1) Re-grading at 2:1 slope (2) Once grown media (3) Vegetate			(1) Test area moved to ~1 acre and on north side of 1950 (2) Complete (3) Complete	(1) 28 (2) 28 (3) 28 (4) 100				(1) \$20,548											
M095-002	Bingham Canyon	Staging coil @ Bingham Canyon 6888 from 1950 soil stockpile										(1) Haul ~160,000 of cover material from 6800 soil stockpile to 6300 bench in Bingham Canyon	(1) Approximately 65,000 yd <sup>3</sup> of cover material has been moved	(1) 5 (2) 5 (3) 5 (4) 0	(1) 5 (2) 5 (3) 5 (4) 0	(1) \$168,000						
M095-002	Bingham Canyon	Store and release cover	(1) Complete design modeling (2) Conduct field trials of the various designs (3a) Choose location, future success, stage equipment			(1) Modeling completed (2) Field trial installation completed Q4 2009 (3a) Location selected, materials secured	(1) 75 (2) 75 (3a) 16 (4a) 100	(1) 50 (2) 50 (3a) 100	(1) 100 (2) 100 (3a) 100	(1) \$7,200 (2) \$17,000												
M095-002	Bingham Canyon	Arthur Concentrator	(1) Maintain vegetation as needed			(1) Vegetation is healthy, no maintenance required	(1) 0 (2) 0 (3) 0 (4) 0			(1) \$0												
M095-002	Bingham Canyon	Bonhville Crusher	(1) Maintain vegetation as needed			(1) Vegetation is healthy, no maintenance required	(1) 0 (2) 0 (3) 0 (4) 0			(1) \$0												
M095-002	Bingham Canyon	Magna Concentrator	(1) Maintain vegetation as needed			(1) Vegetation is healthy, no maintenance required	(1) 0 (2) 0 (3) 0 (4) 0			(1) \$0												
M095-002	Bingham Canyon	W1 & W1 Pump Stations			(1) Demo work postponed until 2010	(1) 0 (2) 0 (3) 0 (4) 0				(1) \$0												
M095-002	Bingham Canyon	Prevegetation Plant Material	(1) Maintain vegetation as needed			(1) Vegetation is healthy, no maintenance required	(1) 0 (2) 0 (3) 0 (4) 0			(1) \$0												
M095-002	Bingham Canyon	Test plots			(1) Third-party test and monitoring for seedling success & technical review	(1) Field work completed July 23, report received	(1) 0 (2) 0 (3) 0 (4) 0	(1) 100 (2) 100 (3) 100	(1) 100 (2) 100 (3) 100	(1) \$3,600												
M095-002	South Tailing	Entire	Budgeted: (1) Re-seed up to 180 acres (2) Application of Limestone up to 80 acres (3) Application of fertilizer up to 300 acres (4) Application of straw/Biosolids up to 50 acres			(1) Re-seeding completed on 11 acres (2) Applied limestone to 4 acres (3) None (4) Biosolids applied to 8 acres	(1) 0 (2) 0 (3) 0 (4) 0	(1) 0 (2) 0 (3) 0 (4) 0	(1) 0 (2) 0 (3) 0 (4) 0	(1) \$3,600 (2) \$2,000 (3) 0 (4) \$2,600												
M095-009	Barnes Canyon	Entire					0	0	0	0												
M095-011	Concentrator	Entire					0	0	0	0												
M095-016	North Tailing	Entire	Budgeted: (1) Seed up to 100 acres (2) Application of Limestone up to 80 acres (3) Application of fertilizer up to 300 acres (4) Application of straw/Biosolids up to 50 acres			(1) 74 acres pre-seeded (re-seed) (2) Applied to 8 acres (3) None (4) 68 acres of Biosolids application	(1) 81 (2) 81 (3) 81 (4) 78	(1) 0 (2) 0 (3) 0 (4) 0	(1) 0 (2) 0 (3) 0 (4) 0	(1) \$23,600 (2) \$8,000 (3) 0 (4) \$22,400	(1) Plant 10 trees; 6 ounce leaf cottonwood and 4 ounce pine (2) 1000 seedlings - 100	(1) 0 (2) 0 (3) 0 (4) 0	(1) 0 (2) 0 (3) 0 (4) 0	(1) 0 (2) 0 (3) 0 (4) 0	(1) \$8,000							
M095-004	Pine Canyon	Entire					0	0	0	0												
2009-2012 Board Presentation and/or 2009-2013 Reclamation Activities Plan																						
Expenditure a minimum average of \$83,000 - \$175,000 per year for each three year period, in maintaining a program of experimentation and in the application of BAT toward rehabilitation of land.																						
Information Incorporated into Reclamation Activities Assessment																						

20090224 Board Presentation and 20090313 Reclamation Activities Plan

Report a minimum average of \$50,000 - \$75,000 per year for each year period, in maximum a program of experimental and in the application of BAT toward reclamation of the

reclamation successes and reclamation activities associated.

These amounts are updated and will be applied on an "as needed" basis dependent upon their conditions.

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The National Mining Association report entitled  
***The Economic Contributions of U.S. Mining in 2007 - Providing  
 Vital Resources for America***

***Mining in Utah, 2007***

	Output (\$ million)	Employment	Payroll (\$ million)	Taxes on Personal Income Federal (\$ million)	State & Local (\$ million)	FICA (\$ million)
<b>Total Mining</b>						
Direct	4,590	9,920	580	n/a	n/a	n/a
Indirect	4,600	34,120	1,430	n/a	n/a	n/a
In-state	4,160	30,450	1,310	n/a	n/a	n/a
Out-of-state*	<u>440</u>	<u>3,670</u>	<u>120</u>	n/a	n/a	n/a
Total	9,190	44,040	2,010	251	91	292
<b>Coal Mining</b>						
Direct	640	3,470	230	n/a	n/a	n/a
Indirect	730	10,380	360	n/a	n/a	n/a
In-state	590	9,150	320	n/a	n/a	n/a
Out-of-state*	<u>140</u>	<u>1,230</u>	<u>40</u>	n/a	n/a	n/a
Total	1,370	13,850	590	74	27	86
<b>Metal Mining</b>						
Direct	1,280	2,590	190	n/a	n/a	n/a
Indirect	1,310	8,230	390	n/a	n/a	n/a
In-state	1,190	7,520	360	n/a	n/a	n/a
Out-of-state*	<u>120</u>	<u>710</u>	<u>30</u>	n/a	n/a	n/a
Total	2,590	10,820	580	72	26	84
<b>Nonmetallic Mineral Mining</b>						
Direct	2,670	3,860	160	n/a	n/a	n/a
Indirect	2,560	15,510	680	n/a	n/a	n/a
In-state	2,380	13,780	630	n/a	n/a	n/a
Out-of-state*	<u>180</u>	<u>1,730</u>	<u>50</u>	n/a	n/a	n/a
Total	5,230	19,370	840	105	38	122

\* generated within the state from mining activity occurring outside the state.  
 Totals may not sum due to independent rounding.

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## In 2007, KUC in Utah

**Produced** 13 percent of the nation's copper (second nationwide)

**Generated** combined spending of \$715.3 million

**Directly employed** 1,839 people with an average payroll per job (including benefits) of nearly \$82,000

**Directly employed** 1,839 people which, with a multiplier, created a total of 12,060 jobs

**Generated** a total personal income through economic activity estimated to be \$516.8 million

**Supported** a population by this additional economic activity estimated to be 19,296

**In summary**, over 19,000 Utah residents — or about 6,200 households — were sustained because of the nearly three-quarters of a billion dollars of direct spending by KUCC in the Utah economy

The left side of the slide features a vertical banner. At the top, the text "Rio Tinto" is written vertically in a large, white, serif font. Below the text is a photograph of a mine's interior, showing a series of terraced levels or ramps illuminated by warm, orange light.

# Rio Tinto

The mining industry continues to operate under global pressures, creating very challenging markets in which we operate

Kennecott Utah Copper has been adversely affected, requiring us to aggressively control our operating costs

Kennecott Utah Copper will maintain all overall reclamation responsibilities pursuant to our contract with this Board and seek to complete additional efforts at appropriate levels given our economic situation

**Thank You**